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FOR CONSUMERS

## Credit Repair: Steps To Improve Your Credit File



You have the right to have incomplete information, inaccurate information, unverified information, and expired information fixed or removed from your credit report. Here are some steps you can take to improve your credit file.

### 1 Obtain your credit report so you can see if your credit needs repair.

The law allows you to get one free credit report from each of the three nationwide credit reporting companies (Equifax, Experian, and TransUnion) every 12 months. You can only get this free report the following ways: the internet, [www.annualcreditreport.com](http://www.annualcreditreport.com); telephone, 1-877-322-8228; or by printing a request form [www.ftc.gov/credit](http://www.ftc.gov/credit) and mailing it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, Georgia 30348-5281.

You can also get a free report if you were denied credit, insurance or employment because of information on your report and you request the report within 60 days, or if you are on government assistance, or if incorrect information is on your report because of fraud. The companies can charge up to \$9.50 for another report within the 12 months.



**South Carolina Department of Consumer Affairs**  
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**Write a letter to the credit reporting company.** A sample letter is on [www.ftc.gov/credit](http://www.ftc.gov/credit) or you can request one by calling 1-877-FTC-HELP. In the letter include what information is wrong, why it is wrong, ask that it be removed and send copies of any papers you have that support your position. Make a copy of the letter before mailing it certified mail "return receipt requested".

When the credit reporting company gets the letter, it must tell the provider that the information is in dispute. The credit reporting company must then investigate the information within 30 days.

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**Write a letter to the provider.** A provider is the company who is giving the information to the credit reporting company. This letter should be the same as the one sent to the credit reporting company including what information is wrong, copies of supporting papers, etc. Before sending this letter certified mail, make sure you have the correct address for disputes. Many providers have special addresses for you to send the dispute letter to.

When the provider gets the letter, they must tell the credit reporting companies that the information is in dispute. A "flag" will be placed on the report showing you are disputing it. The provider must also investigate the information. Once the investigation is finished, the provider must tell the 3 nationwide credit reporting companies the result.

Note: Credit reporting companies and providers do not have to investigate your claim if they think your request is not genuine. For this reason, only the information you have a right to dispute should be disputed.

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**Dealing with your debt.** If your credit report has negative information that is correct and timely, you can still take steps to improve your credit file.

- Make a budget and stick to it.
- Contact your creditor when you think you will not be able to pay. Ask the creditor for a new repayment plan. If they agree, get it in writing.
- If you need help managing your credit, contact a local debt management company. (Also known as "credit counseling agencies"). Contact SCDCA for a list of licensed companies.
- Check your credit report every twelve months to make sure the information is correct.